

## **MINUTES OF MEETING**

### **COAL SURFACE MINING RECLAMATION FUND ADVISORY BOARD**

A meeting of the Coal Surface Mining Reclamation Fund Advisory Board was held on December 7, 2006 at 9:30 a.m. at the Department of Mines, Minerals and Energy Office in Big Stone Gap.

#### **Present**

Gerald Collins  
William P. Fertall  
Marvin Gilliam  
Paul Ison  
Scotty Rose

#### **Also Present**

Benny Wampler  
Ann McDavid  
Sandy Smith

Chairman Paul Ison called the meeting to order. Board members reviewed and unanimously approved minutes of the last meeting on May 25, 2006.

Gerald Collins introduced a new Board member, Mr. Scotty Rose. Mr. Rose briefly shared some of his personal background. The Board members introduced themselves and welcomed Mr. Rose.

Copies of the Reclamation Fund reports were distributed to Board members. Ann McDavid reported on the Reclamation Fund (Pool) Financial Status report for the first quarter, ending September 30, 2006. A total of \$28,926.00 was received from entrance fees and reclamation taxes. The Pool balance is \$5,797,110.72.

The Reclamation Fund Status Report shows five permits that are Glamorgan Properties and Pound River Properties. These permits are forfeited. The reports show estimated liabilities against the Fund in the amount of \$1,108,000.00. Benny Wampler informed the Board there would be no liability to the Pool for these permits and Gerald Collins would provide an update.

The Temporary Cessation Report shows a total of 41 companies. It appears some of the dates for temporary cessation have expired. Some companies have submitted revisions; some may have failed to request an extension; and some need to be updated.

Benny Wampler stated that the Office of Surface Mining (OSM) has been “hammered” by the environmental community on temporary cessations. They are suggesting there is gross abuse of the temporary cessation practices, particularly in the East. As a result, OSM plans to do a special study on temporary cessations in the East over the next twelve months.

The Permit Bond Balances Report lists 224 permits in the Pool and the amount of bond posted for each. Ann informed the Board members to let her know if they need additional reports or would like any reports changed. She can adjust information on any of the reports.

There are no liabilities against the pool at the present time.

Gerald Collins provided an update on the Glamorgan Coal Resources/Pound River Properties site. A contract was awarded to Tuck Mapping Solutions to do aerial photography and mapping over these sites at a cost of \$8,548.00. The maps were done on two-foot contour intervals and will be used to make plans for reclamation of the site.

Benny Wampler discussed Glamorgan Coal Resources filing for Chapter 11 Bankruptcy with the Texas Bankruptcy Court. Because of Virginia's Sovereign Immunity (cannot pursue people out of state), OSM was asked to assist/review the sites. They determined the highwalls were an imminent danger and wrote a Cessation Order. An OSM attorney traveled to Texas to meet with the Bankruptcy Court (Benny and Butch Lambert participated via phone).

Glamorgan Coal Resources and the Division are working on a Consent Order to reclaim the sites as per the original permits. The Bankruptcy Court granted permission to use the equipment on the sites to reclaim the land over a twelve-month period. Glamorgan Coal Resources has been instructed to work with the Town of Wise to reclaim the portion of the permit located in the town limits to meet the conditions of their agreement. Glamorgan Coal Resources will be asked to pay the fee for Tuck Mapping Solutions. Glamorgan Coal Resources submitted bonds to reclaim the sites. Because the permits have been revoked and bonds forfeited, the Division has collected the bonds. If Glamorgan Coal Resources reclaims the sites, the bonds will be returned. However, if they do not reclaim the sites, the Division will use the bonds it has collected to conduct reclamation.

There was a lengthy discussion concerning Glamorgan Coal Resources' mining practices, bankruptcy, etc. Pound River Properties LLC is not in bankruptcy, but the Division has revoked the permit and forfeited the bond on the permit. The Division has collected the bond and is proceeding with plans to reclaim the site.

Conflict of Interest Financial Disclosure Statements were distributed to Board members. Gerald advised the completed forms are due to Evie Christopher in the Richmond Office by January 4, 2007. Mandatory Conflict of Interest training was provided via DVD. The meeting was adjourned at the end of the DVD training.